



Natural Resources Conservation Service  
1201 NE Lloyd Blvd., Suite 900  
Portland, OR 97232-1279

February 13, 2007

OREGON BULLETIN OR440-2007-3

SUBJECT: PGM – VERIFICATION OF RECORDED OPEN OBLIGATIONS FOR FY2002 EQIP CONTRACTS BETWEEN PROTRACTS AND FFIS

**ACTION REQUIRED BY: February 16, 2007.** Copy of **NRCS-CPA-1156 "signature page"** for the last contract modification when there are open valid practice(s) remaining that will continue to be funded. If NRCS-CPA-1156 was not signed by producer, then a copy of the entire original contract with participant(s) signature(s) must be submitted in addition to the copy of NRCS-CPA-1156.

**ACTION REQUIRED BY: February 21, 2007.** Detailed spreadsheet line information for each contract must be completed and the attached file returned by email to: [dick.sylvester@or.usda.gov](mailto:dick.sylvester@or.usda.gov)

Purpose. To provide each basin with spreadsheets and information to verify obligations in ProTracts and FFIS are correct.

Expiration Date. September 30, 2007.

In response to the findings by Office of Inspector General (OIG) and our own NHQ internal process review, each obligation recorded in ProTracts and FFIS must be reviewed and verified. This review of obligations is required by Department Regulation 2230-001. Since OIG has pointed out deficiencies in our open obligation process, NHQ-FMD is requesting documentation and verification for all ProTracts FFIS recorded obligations. Coordination between program, contracting, and financial staffs is crucial to the success of this review and future certifications of the obligation balances by your State Administrative Officer and State Conservationist. **Data used in this review of FY2002 ProTracts contracts was generated from ProTracts and FFIS on Monday February 5th, 2007. FNM has pre-audited lines to the greatest extent possible but final review must be completed at Field Office level.**

## PROCEDURES

Program, contracting, and FNM personnel will review unliquidated obligations determine whether delivery of goods or services or performance is expected to occur:

Program (State & Field Office level) and contracting personnel must consider as applicable:

- o The period of fund availability;
- o The timeliness of delivery or performance;
- o The completeness and accuracy of information provided by grant recipients;
- o Whether funds have been expended consistent with the percentage of completion; (i.e., whether remaining funds are sufficient to complete the order in accordance with the specifications);
- o Justifications for amendments to funding levels;
- o Reasons for lack of activity, such as litigation or delay in contract closeout;
- o Any provisions of the agreement or contract that may permit or prohibit deobligation or reprogramming; and
- o Any other relevant factors, when making a determination.
- o The review should disclose unliquidated obligations for projects that do not have a legal basis or are not properly authorized and supported by appropriate documentation; or, which have been completed but a small amount of funding still remains; or, have not been closed out and no future expenditures are expected.



#### INFORMATION REQUIRED BY FMD

Using information from above review contracts and complete actions with annotations on attached spreadsheet. The attached spreadsheet contains detailed line items and amounts for each contract obligation balance selected from ProTracts / FFIS Budget Fiscal Year 2002 review. Open the header line to show detail lines within the contract the same way as within Protracts.

Verify the accuracy of each line in the contract obligation:

If any funds/lines are being retained in a contract, FNM Oregon must furnish valid signed documentation. We must scan these documents and place them on CD-ROM, including signature pages. To allow us to scan files the signature pages are due 2/16/2007 as shown above. In order to eliminate workload on the field, FNM has accessed all the ProTracts contracts and pre-printed the current NRCS-CPA-1156. Field offices only need to submit the signature page when funds will remain in the contract. If you do not have a signature on the CPA-1156, you must furnish the entire NRCS/FSA-Protracts contract with participant(s) signature. Please send documents to the State Office via FedEx, ATTN: FNM-Annaliese Pollack.

Practices scheduled for 2006 or earlier that do not show certification or payment are highlighted in tan and must be specifically addressed. Contact participant and determine if practice was installed but unbilled; still valid but should be moved to a subsequent year; or if the practice should be deleted. Due to Fiscal Year (FFIS) versus Calendar Year (ProTracts) for installation, some practices may have been installed but the Producer has not yet provided required bills/documentation. Please annotate spreadsheet accordingly.

- If the practice has been installed but unbilled, indicate in comments the expected date the producer will provide billing data.
- If a practice should be moved to a subsequent year or deleted, so indicate in comments section. Field must initiate a modification to the contract NLT February 26th, 2007.
- If a contract line is valid and the funds being retained in ProTracts and FFIS, annotate the word "RETAIN" on each spreadsheet line.
- If an open line has now been certified and paid during the interim time between FNM generating documentation on 2/5/07 and the time of field office review, annotate that line was certified and approved for payment on " Date" in remarks column .
- If line payment is currently being reviewed for payment show statement "Payment documentation currently under review".

If you have any questions relating to this information, contact Dick Sylvester at 503-414-3217.

//signed//

**RICHARD SYLVESTER**  
Budget Officer

Attachments  
a/s